MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2022 / 2023

DBL5014 – BUSINESS LAW

(For Diploma Students Only)

22 NOVEMBER 2022
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **THREE (3)** pages with **FOUR (4)** questions.
2. Answer all questions.
3. You are required to cite relevant provisions and case laws.
4. Write all your answers in the Answer Sheets provided.

QUESTION 1

a) South Ocean Shipping Sdn. Bhd (SOSSB) is a cargo and freight company in Malaysia. They had entered a contract with Cheng Construction Sdn. Bhd (CCSB) to build a ship for them at an agreed price. Subsequently, CCSB asked for more payment and threatened to stop work on building the ship if their demand is not complied with. CCSB also threatened that they would destroy the ship as protests towards SOSSB. SOSSB paid the amount and wants to seek legal action on this matter.

As a lawyer, advise whether the contract between SOSSB and CCSB can be voidable or not according to Contract Act 1950? (10 marks)

b) Ms Elizabeth is a 50-year-old wealthy woman and owns a company. Currently, she is interested in joining a religious belief Sister's Interfaith and Charity group. This religious group also brings in people of different religions to work together to serve those in need.

Ms Elizabeth had been introduced to Sister Diana. After a few times of meeting, Sister Diana suggested to Ms Elizabeth to contribute to an orphanage home for the kids. Therefore, she insisted Ms Elizabeth to sell one of her properties below market price for this orphanage home. Sister Diana also assured that Ms Elizabeth will be granted to heaven in the hereafter and her business will be bloomed well.

By having that assurance, she agreed to sell her property. All the sale and purchase transactions were prepared and conveyed by Ms Jolie who works as a solicitor and member of the group too. After 3 months of the transaction, she has not received any money and did not receive any news from Sister Diana or Ms. Jolie Therefore, Ms Elizabeth would like to recover her property.

As a lawyer, kindly advise whether Ms Elizabeth can recover her property according to Contract Act 1950. (15 marks)

[Total: 25 marks]

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QUESTION 2

a) Hanbada & Co is a law firm that has been set up since 2005. They provide legal solutions to businesses including government-link companies. Currently, they have 5 branches and 20 partners in managing the firm. They plan to appoint another 2 partners which are Woo and Suyeon. Both have great experiences especially in commercial and banking matters

Based on the above situation, discuss whether Hanbada & Co can operate with more than 20 partners. (10 marks)

b) State any **THREE (3)** types of partners. (3 marks)

c) According to Section 3(1) Partnership Act 1961, a partnership is when two or more persons must be carrying on business in common with the view of profit.

Explain the liability in a partnership. (9 marks)

d) State any **THREE (3)** ways to dissolve a partnership. (3 marks)

[Total: 25 marks]

QUESTION 3

a) Rose and Dahlia are a housemate. They rent an apartment nearby Multimedia University. During 9.9 Shopee Sale, they agreed to jointly purchase a cordless vacuum for RM 500.00. They also have contributed half of the price of the goods together. They also agreed that the cordless vacuum will be kept by Rose since she always cleans the house every weekend.

One day, without Dahlia's consent and knowledge, Rose had sold the vacuum to Anggerik. Anggerik, did not have the knowledge that the vacuum also owned by Dahlia. Dahlia feels frustrated when she knew about the vacuum had been sold. Therefore, she contacts Anggerik and request her to return the cordless vacuum. She stated that Anggerik cannot obtain the title of the vacuum without her permission.

Based on the situation above, advise whether Anggerik needs to return the cordless vacuum according to Sale of Goods Act 1957. (15 marks)

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b) According to Section 2 of Sale of Goods Act 1957, goods is every kind or movable property. List down all **FOUR (4)** exclusion of goods which are not governed under the Act. (4 marks)

c) State **SIX (6)** exceptions to the principle of Nemo Dat Rule. (6 marks)

[Total: 25 marks]

QUESTION 4

a) Adam and Michelle are newlywed. They have moved to a new studio apartment in Petaling Jaya, Selangor. They decide to purchase more appliances at Home Modern Sdn. Bhd.

They decided to purchase Samsung Twin Cooling Fridge and Daikin Inverter Air Conditioner. The salesman offered them to purchase the goods by hire purchase plan and offer free delivery to their house too.

They agreed with the plan. Therefore, the salesman prepared the hire purchase agreement. The salesman requested them to sign only one agreement. Without hesitation, Michelle and Adam signed the agreement accordingly.

Based on the situation above, discuss whether the hire purchase agreement is valid when the goods are combined into one agreement. (15 marks)

b) In January 2022, Amy entered into a hire purchase agreement with Bank Baik Bhd to purchase a new Perodua Bezza. In June 2022, she had been retrenched from the workplace. Due to that, she was unable to pay the loan instalment for 3 months. Therefore, Bank Baik Bhd had served a 4th schedule notice to her.

By receiving the notice, Amy immediately paid all the arrears within 15 days of the service of 4th schedule notice. One week later, the agent from Bank Baik Bhd come to repossess the car. Amy is confused as she had paid all the arrears within the time given.

Based on the situation above, discuss whether Bank Baik Bhd has the right to repossess the car. (10 marks)

[Total: 25 marks]

End of Paper